

GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

Handlooms and Textiles Department – Loan Waiver Scheme--Sanction of an amount of Rs.31,93,63,487/- towards waiver of Government Loans of Handloom Weavers -- Adjustment—Orders – Issued.

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INDUSTRIES AND COMMERCE (TEX) DEPARTMENT

G.O.Ms.No. 17

Dated 06 -02-2011.

Read the following:-

1. G.O.Ms.No.29, Ind. & Com. (Tex) Dept, dated 31-03-2010.
2. G.O.Ms.No.76, Ind. & Com. (Tex) Dept, dated 02-08-2010.
3. G.O.Ms.No.79, Ind. & Com. (Tex) Dept, dated 02-08-2010.
4. From the Director of Handlooms and Textiles and Commissioner for Apparel Export Parks, Andhra Pradesh, Hyderabad., Lr.Rc.No.4029/2010/ S.L.C.-W, dated 8-11-2010, 15-12-2010 and 11-01-2011.
5. G.O.Rt.No.352, Finance (Exp.I&C) Department, dt. 05-02-2011.

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O R D E R:-

Andhra Pradesh is one of the leading States in the Country having large traditional base of Handloom Industry and produces most exotic items of Handloom fabric with traditional designs and techniques passed down from generation to generation. The Handloom is the largest cottage industry with a position next only to Agriculture in providing employment to rural artisans, with a low capital investment and is environment friendly and also adaptable to the changing tastes, trends, designs, techniques, fashion etc., to withstand and compete in the market, with the active support of the Government. There are about 2.60 lakhs active looms in the State.

2. Government is taking various steps for the promotion of the socio-economic well being of the Handloom weavers, by implementing various welfare and developmental schemes. But, the steps taken by the Government could bail out the weavers and Weavers' Cooperative Societies from the debt trap and indebtedness to some extent. In view of the competition from other products in the market, the goods produced by Weavers' Cooperative Societies and weavers could not be sold at reasonable prices, resulting in low levels of income and wages to the weavers. As a result, the weavers could not repay the loans taken from the Banks and Government and they became defaulters.

3. Keeping in view the plight of the weavers, a scheme is evolved with an objective to relieve the Primary Weavers' Co-operative Societies and Weavers from the indebtedness, so as to enable them to obtain fresh working capital from the Banks to eke out their livelihood. Accordingly, orders were issued constituting a Group of Ministers (GoM) to examine the issues pertaining to the weavers, i.e., whether Primary Weavers' Co-operative Societies or individual weavers should get the benefit of loan waiver, modernization of handlooms and other related issues.

4. In the reference 1<sup>st</sup> read above, orders were issued accepting the recommendations of the Group of Ministers (GoM) constituted to examine the issues pertaining to the waiver of loans to the weavers and other related issues.

5. In the reference 2<sup>nd</sup> read above, certain amendments were issued to the orders issued in the reference 1<sup>st</sup> read above.

6. In the reference 3<sup>rd</sup> read above, operational guidelines were issued for implementation of the Loan Waiver Scheme.

(PTO)

7. In the reference 4<sup>th</sup> read above, the Director of Handlooms and Textiles and Commissioner for Apparel Export Parks, Andhra Pradesh, Hyderabad. has stated that the 3<sup>rd</sup>, 4<sup>th</sup> and 5<sup>th</sup> State Level Committee meetings were held on 08-11-2010, 13-12-2010 and 11-01-2011 respectively and it recommended an amount of Rs.31,93,63,487/- towards waiver of Government Loans by way of book adjustment.

8. In the reference 5<sup>th</sup> read above, Finance (Exp.I&C) Department have issued Budget Release Order for an amount of Rs. 31,93,64,000/- towards waiver of Loans to weavers from the Budget Provision of 2010-11.

9. After careful examination, Government have decided to sanction and adjust an amount of Rs.31,93,63,487/- towards waiver of Government Loans. Accordingly, Government hereby accord sanction for an amount of Rs.31,93,63,487/- (Rupees Thirty One Crores, Ninety Three Lakhs, Sixty Three Thousand, Four Hundred and Eighty Seven only) towards waiver of Government Loans of handloom weavers.

10. The expenditure sanctioned above shall be debited to the following Head of Account:-

"2851 - Village and Small Industries.  
MH -103- Handloom Industries.  
G.H.-11- Normal State Plan  
SH (12) - Assistance towards Loan Waiver to Weavers.  
310 - Grants-in-aid.  
312 - Other Grants-in-aid.

and shall be adjusted to the following Loans Head of Account, by preferring an adjustment bill with Pay and Accounts Office, Hyderabad:-

"6851-Loans for Village and Small Industries  
MH-103 Handloom Industries  
G.H.-11- Normal State Plan  
SH-05- Loans to Primary Weavers' Co-operative Societies"

11. The Commissioner of Handlooms and Textiles and Commissioner for Apparel Export Parks, Andhra Pradesh, Hyderabad, shall take necessary action as above and send a compliance report to the Government.

12. This order issues as per Budget Release Order issued vide G.O.Rt.No.352, Finance (Exp.I&C) Department, dated 05-02-2011 and with the concurrence of Finance (Exp.I&C) Department, vide their U.O.No.214-A/48/2011, dated 05-02-2011.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

RANJEEV R.ACHARYA,  
PRINCIPAL SECRETARY TO GOVERNMENT.

To  
The Commissioner of Handlooms and Textiles and  
Commissioner for Apparel Export Parks, Andhra Pradesh, Hyderabad.  
The Accountant General, Andhra Pradesh, Hyderabad..  
The Pay and Accounts Officer, Hyderabad.  
The Director of Treasuries and Accounts, Andhra Pradesh, Hyderabad..

Copy to:

The Finance ( Exp.I&C/ B.G.) Department.  
The P.S to the Secretary to Chief Minister.  
The P.S to M(H&T,SM, SSI, K&VIB, PE)  
Sf/Sc

// FORWARDED BY: ORDER//

SECTION OFFICER.